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DECISION



THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548

FILE: B-203167

DATE: December 10, 1981

MATTER OF: Quest Research Corporation

DIGEST:

1. GAO will not reevaluate technical proposals or substitute its judgment for that of evaluation team members, who have considerable discretion. Rather, GAO will examine record to determine whether judgment of evaluation team was reasonable and in accord with listed criteria, and will consider whether there was any violation of procurement statutes and regulations.
2. Where GAO review of evaluation team summaries and protester's proposal discloses that protester's experience is not primarily in areas required by solicitation, protest based on improper evaluation of organizational experience will be denied. In addition, when more than 140 individuals and firms named in proposal as being available to provide external support are merely listed with area of expertise, protester has not provided sufficient information for agency to evaluate proposed support group, and protest based on weakness in this area will be denied.
3. When solicitation clearly indicates that cost will be less important than technical and management excellence, and procuring agency determines that one proposal is technically superior to another, award to lowest-priced offeror is not required. Only if technical proposals are essentially equal does cost become determining factor.

Quest Research Corporation protests the award of a contract for analysis and evaluation of intelligence on foreign aerospace developments to Battelle Memorial Institute under a solicitation issued by the Aeronautical Systems Division, Wright-Patterson Air Force Base, Ohio.

Essentially, Quest contends that the Air Force did not consider all portions of its proposal or properly evaluate its organizational experience and ability to obtain external support for tasks to be ordered under the contract, two areas which the Air Force found weak. Quest argues that it should have been selected for award, since it was fully qualified and offered the lowest total cost to the Government. We are denying the protest.

Background:

The solicitation in question, No. F33657-80-R-0474, was issued at the request of the Air Force's Foreign Technology Division. It stated that the division's objective was to obtain highly specialized scientific and technical assistance in analyzing foreign aerospace developments. The work will support appraisals of foreign capabilities and is considered an essential step in the development of acquisition programs for major Air Force weapons systems.

To this end, the Air Force required the contractor to provide a direct support group, consisting of a program manager and a mix of scientists, engineers, technicians, and clerical personnel; an administrative support group, to be located at Wright-Patterson, and a supplementary support group, consisting of other firms and individuals who would provide expertise not available within the direct support group and perform short-term, quick-reaction tasks as required. At least 50 percent of the dollar value of the contract (an estimated \$3.6 million over three years including options) was to be allocated to the supplementary support group.

Of 14 firms solicited, Quest was among five responding with whom discussions were held. Upon receiving notice of award of an \$893,894 contract to Battelle in April 1981, Quest protested to the Air Force; following a debriefing, the firm filed an expanded protest with our Office. In addition to challenging the Air Force's evaluation and selection of a higher-priced offeror, Quest alleges that this particular contracting office at Wright-Patterson has a policy of procuring technical services from the lowest-priced offeror, and that deviation from the policy in this case was arbitrary.

Evaluation of Quest's Proposal:

The solicitation in question contained six evaluation criteria. In descending order of importance, these were:

understanding the concept of operation; personnel capabilities; specialized organizational experience; organizational experience; ability to acquire external support, and cost to the Government.

1. Organizational Experience:

Although Quest protests the evaluation of its specialized organizational experience, the Air Force indicates that, as Quest was advised during the debriefing, the problem actually was with the firm's organizational experience. The specialized experience criterion required the offeror to have produced relatively short-term technical studies for a sponsor; Quest was rated adequate in this area. The general experience criterion, on the other hand, required the offeror to have produced substantive intelligence studies in aerospace technology and/or future systems.

Quest alleges that in determining that its experience was not sufficiently broad outside electronics-related fields, the Air Force gave little consideration to additional experience described in its proposal. The Air Force denies this, stating that four-out-of-five technical evaluators found Quest's organizational experience weak. However, because of its lower proposed costs, Quest's capability in terms of personnel was reviewed a second time before Battelle was selected for award. The Air Force concluded that the non-electronics experience described in Quest's proposal consisted principally of intelligence analyses in support of collection and threat studies, which was not the type of experience needed for performing the in-depth studies which the Foreign Technology Division sought. Although Quest personnel were strong in the fields of direct energy weapons, future electromagnetic systems, and system design, they were judged weak in other technical areas, the Air Force states.

2. External Support:

The second major weakness in Quest's proposal identified by the Air Force was in the firm's ability to obtain external support. The Air Force found Quest's plan for a supplementary support group vague, indicating only that some individuals who had been employed as intelligence evaluators on a different Air Force project had indicated their interest in working for Quest on this contract. In addition, the Air Force found that Quest viewed the supplementary support group as a collection of individual consultants. Quest disputes these

findings, stating that 149 individuals and 15 companies and institutions, many of whom were not associated with the prior project, were listed in its proposal as willing to support an effort by Quest.

In its report to our Office, the Air Force states that Quest's discussion of the supplementary support group was extremely short, that it dealt primarily with acquiring such support, and that in some instances it was simply a restatement of the statement of work. Moreover, the Air Force points out, the majority of the individuals whom Quest listed as highly qualified in the technology areas of the contract had been associated with the prior project. The Air Force had released their names in response to a request made at a pre-proposal conference, but with a disclaimer indicating that this contract was more complex and required additional thought. The Air Force further states that the relevance of the backgrounds of the many individuals and firms listed by Quest as available for the external support group was not demonstrated in the proposal, so the evaluation team was unable to assess these individuals.

GAO Analysis of Proposal Evaluation:

As we have stated frequently, it is not the function of our Office to reevaluate technical proposals or to substitute our judgment for that of evaluation team members, who have considerable discretion. We therefore will examine a record to determine whether the judgment of the evaluation team was reasonable and in accord with listed criteria, and we will consider whether there was any violation of procurement statutes and regulations. See Alan-Craig, Inc., B-202432, September 29, 1981, 81-2 CPD 263; Texstar Plastics Company, Inc., B-201105, September 18, 1981, 81-2 CPD 223.

In this case, we have reviewed the evaluation summaries (which were not released to Quest) and corresponding sections of Quest's proposal, and find that the record supports the Air Force determination that Quest's efforts primarily have been in the evaluation of finished intelligence, rather than in the production of intelligence from raw data which is required here.

In addition, we note that the functional areas to be covered by the contractor are not confined to electronics-related fields. The scope of work will encompass future aerospace systems, directed energy weapons technologies, Soviet military objectives, future electromagnetic systems, materials and manufacturing technologies, electronics technologies, foreign aerospace management, aerospace system

designs, and life sciences. In numerical rankings of expertise in these areas, Quest's score for direct support group personnel was 16 to 19 points lower than Battelle's.

Battelle, on the other hand, was regarded as outstanding in the production of technical intelligence from collateral data, with a unique capability, for example, for analysis of one area of Soviet intelligence.

As for external support, the solicitation required the offeror to demonstrate that it understood how to identify and acquire broad-based, expert, scientific assistance at minimum cost. Quest's experience in use of subcontractors and consultants, evaluators found, primarily involved four subsidiaries of its own firm. Battelle, however, had an extensive background in task order-type contracts with various intelligence agencies and maintained an active library of potential consultants and subcontractors with whom it could complete support contracts rapidly.

We also note that of the more than 140 individuals and firms listed by Quest as available for the supplementary support group, most are merely named and identified by area of expertise. With the exception of a dozen individuals whose resumes were included by Quest as "representative" of this proposed group, we agree that the Air Force could not have evaluated external support capability. Since, as noted above, more than 50 percent of the total value of the contract was to be allocated to the supplementary support group, we believe the Air Force's criticism of Quest's proposal in this area was justified.

In all other evaluation criteria, the record indicates that Battelle was ranked significantly higher than Quest. We find no indication that evaluation was any basis other than the listed criteria, and Quest has neither alleged nor proved that there were violations of procurement statutes or regulations in the evaluation process. The protest on this basis therefore is denied.

Cost Considerations:

Quest's other major basis of protest is that since it was not only technically qualified but also lowest priced, the Air Force was obliged to make award to it. (Actually, although Quest's evaluated price was lower than Battelle's, Quest was not the lowest-priced offeror.) As noted above, cost to the Government was the least important of six evaluation criteria. The solicitation specifically stated that cost

would not be the primary basis for award and that the offeror's proposed price and other aspects of cost which reasonably could be defined would be considered in determining probable cost to the Government. The solicitation stated that the Air Force would then determine what combination of probable cost and technical and management approach would be most advantageous to the Government. Thus, only if the Quest and Battelle proposals had been judged essentially equal as to technical factors would cost have become a determining factor. See Impact Instrumentation, Inc.--Reconsideration, B-198704, October 3, 1980, 80-2 CPD 239.

The Air Force states that in another recent procurement by the same contracting office, with the same listed evaluation criteria, technical proposals were judged essentially equal. This apparently led Quest to allege that this office had a policy of making awards to the lowest-priced offeror, regardless of listed evaluation criteria. Where, as here, the solicitation clearly indicates that cost will be less important than technical and management excellence, and the procuring agency determines that one proposal is technically superior and will provide the greatest opportunity for value received per dollar spent, award to the lowest-priced offeror clearly is not required. This has long been the rule in negotiated procurement. See, for example, ADP Network Services, Inc., B-200675, March 2, 1981, 81-1 CPD 157.

The protest is denied.

Milton J. Fowler
for Comptroller General
of the United States